

**SENATE BILL NO. 94**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/24/21

Referred: Education, Finance

**A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to the education loan program and Alaska supplemental education  
2 loan program; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 14.43.122(b) is amended to read:

5 (b) For a borrower to be eligible for consolidation of a loan under this section,  
6 the borrower must apply on a form approved by the corporation and **must** [PROVIDE  
7 PROOF SATISFACTORY TO THE CORPORATION THAT THE BORROWER]

8 (1) physically **reside** [RESIDES] in the state and **have** [HAS]  
9 maintained a domicile in the state for not less than 12 consecutive months before  
10 submitting an application for consolidation;

11 (2) **be a previous borrower, cosigner, or beneficiary of an**  
12 **education loan made under AS 14.43 or AS 14.44** [HAS NOT BEEN  
13 PHYSICALLY ABSENT FROM THE STATE FOR MORE THAN 60 DAYS IN  
14 THE 12 MONTHS BEFORE SUBMITTING AN APPLICATION FOR

1 CONSOLIDATION]; or

2 (3) be a graduate of a high school or postsecondary institution  
 3 physically located in the state [HAS NOT DECLARED RESIDENCY IN  
 4 ANOTHER STATE;

5 (4) HAS NOT RECEIVED A BENEFIT OF RESIDENCY IN  
 6 ANOTHER STATE].

7 \* **Sec. 2.** AS 14.43.173(a) is amended to read:

8 (a) In a school year, the corporation may finance a loan to an eligible borrower  
 9 under AS 14.43.170 - 14.43.175 attending an eligible postsecondary institution in a  
 10 maximum amount to be determined by the corporation for an eligible [NOT TO  
 11 EXCEED]

12 (1) undergraduate attending a college or university [\$14,000 TO  
 13 AN ELIGIBLE UNDERGRADUATE STUDENT ATTENDING A COLLEGE OR  
 14 UNIVERSITY];

15 (2) graduate student attending a college or university [\$15,000 TO  
 16 AN ELIGIBLE GRADUATE STUDENT ATTENDING A COLLEGE OR  
 17 UNIVERSITY]; and

18 (3) student attending a career education program [\$10,000 TO AN  
 19 ELIGIBLE STUDENT ATTENDING A CAREER EDUCATION PROGRAM].

20 \* **Sec. 3.** AS 14.43.173(b) is amended to read:

21 (b) The corporation may finance loans made under AS 14.43.170 - 14.43.175  
 22 to an eligible [A] borrower a maximum total [IN AN] amount to be determined by  
 23 the corporation for [THAT IS NOT MORE THAN]

24 (1) an [A TOTAL OF \$56,000 FOR] undergraduate study program;

25 (2) a [TOTAL OF \$60,000 FOR] graduate study program; and [; OR]

26 (3) a combined [TOTAL OF \$87,000 FOR] undergraduate and  
 27 graduate study program.

28 \* **Sec. 4.** AS 14.43.173(d) is amended to read:

29 (d) The commission shall determine a borrower's loan award amount for a  
 30 specific school year [BASED ON A STUDENT'S ON-TIME, HALF-TIME, AND  
 31 FULL-TIME STUDENT STATUS] and may not exceed the limits established by the

1        **corporation** [IN THIS SECTION] or the borrower's costs of attendance.

2        \* **Sec. 5.** AS 14.43.175 is amended to read:

3                **Sec. 14.43.175. Repayment of loans.** A borrower's obligation to commence  
4        repayment of the principal of and interest on a loan under AS 14.43.170 - 14.43.175  
5        begins not **later** [MORE] than six months following the borrower's completion or  
6        other termination of the postsecondary program or the date that the borrower ceases to  
7        be enrolled on at least a half-time basis. **The commission and borrower may agree**  
8        **to a repayment schedule commencing repayment immediately upon**  
9        **disbursement of a loan.**

10       \* **Sec. 6.** This Act takes effect July 1, 2021.